

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7727**

**BILL NUMBER: HB 1542**

**DATE PREPARED:** Jan 4, 2001

**BILL AMENDED:**

**SUBJECT:** Physician and nurse continuing education.

**FISCAL ANALYST:** Chris Baker

**PHONE NUMBER:** 232-9851

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires the medical licensing board of Indiana to adopt rules requiring physicians to report on license renewal forms any continuing education hours completed during the license renewal period. The bill requires the Indiana state board of nursing to adopt rules requiring nurses to report on license renewal forms any continuing education hours completed during the license renewal period. The bill also allows for random audits for verification of continuing education hours reported by physicians and nurses.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** This bill could increase expenditures of the Health Professions Bureau. The amount of the increase is unknown and dependent on how the agency notifies license holders of the requirements of this bill.

This bill allows the Health Professions Board to randomly audit between 1% and 10% of the practitioners who report continuing education hours on the license renewal form. To implement an audit, the Health Professions Bureau indicates that it would need to do the following: create a random audit list, notify the selected practitioners by certified mail, review the verification of completion and send follow-up correspondence to those who are either in or out of compliance. The added cost of postage (the cost of certified mail is \$2.97) and stationery would depend on the size of the audit sample.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

**Explanation of State Revenues:** The provisions of this bill could affect revenue collected from license fees of health professionals if the modifications change the number of individuals who qualify for licenses. It is estimated that the overall impact will be minimal. In FY 2000, approximately \$1.7 M in revenue was collected from physicians and nurses for licenses and other fees. License fees collected are deposited in the state General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Health Professions Bureau.

**Local Agencies Affected:**

**Information Sources:** Barb McNutt, Health Professions Bureau, (317) 233-4406.